

Wall Signs Case Studies

The Committee on Housing Affordability, Human Services, and Economic Resiliency (CHASER) held a public hearing on February 20, and had a discussion on CB 117991, legislation to stop the continued proliferation of off-premise signs masquerading as on-premise signs.

To address the problem, CB 117991 has three components.¹ One of the components needed to curb the proliferation is an increase in penalties for violations of Sign Code regulations from \$500/day to \$1,500/day and to direct the collected revenues from such violations to the Operations Division of the Department of Planning and Development (DPD) including the Department's sign and billboard inspection unit.

The recent increase in the number of billboards masquerading as on-premise wall signs is occurring in large part because Seattle's Sign Code does not address 21st Century realities: 1) penalties are a small cost of doing business; 2) new technologies enable enormous billboards to be made relatively cheaply; and (3) the standard enforcement process has not worked to deter violations.

The City has learned that the revenues associated with very large wall signs installed on buildings in highly visible locations can potentially run as high as \$40,000 per month. The City has examples of large signs that generated \$23,000 and \$33,000 revenue per month. The current penalty for violating the City's wall sign regulations is \$500 per day. Therefore, the maximum penalty the City could seek against a responsible party per month would be \$15,000. As is clear, because the maximum penalty the City could seek is less than the monthly revenue generated by some very large wall signs, the current penalty for sign code violations is insufficient to deter some parties from violating the City's regulations.

One example involves a sign at 110 Union Street. In June of 2002, the City issued a permit for a 1500 square-foot on premise wall sign at this location. Between 2002 and 2009, DPD inspected the sign six times and issued three Notices of Violation (NOVs). The violator brought the sign into compliance only to then reinstall a sign that violates the Sign Code. In one of these cases, after a ten month judicial process the violator paid \$5000 and agreed not to install a sign in violation of the sign code in the future.

Another example involves a sign at 2200 Western Street where DPD observed a sign in violation of the Sign Code in April and again on May 2010 and July. The City filed a lawsuit against Defendants (Cause No. 10-041) in mid-July 2010. The defendants brought the property into compliance and the matter was dismissed after Defendant paid \$3,000 in penalties. on December of 2010. In 2011, the City filed another lawsuit against property owners (Cause No. 11-012) for an additional Sign Code violation. The off-premise sign was removed and compliance again

¹ The April 10, 2013 Director's Report provides a detailed discussion of the problem and the proposed legislation intended to address the problem.

obtained in September 2011. The matter was resolved where Defendant paid \$5000 for sign code penalties.

On April 20, 2012, an NOV (No. 1026349) was issued for another sign code violation observed at 2200 Western Avenue. The Sign was removed by the compliance date. The City observed another sign code violation in late 2013. In 2014, the City has issued an enforcement letter to the business establishment and building owner for alleged sign code violations at 2200 Western Avenue. If the sign is not removed, the City may file another lawsuit against the responsible parties.

These are two examples of many. DPD issued more than 30 NOVs for 28 properties in the past five years for sign code violations. Many of these properties have received multiple NOVs over the course of months or years.

Under CB 117991, the penalty associated with installing a wall sign that is inconsistent with the sign code would be increased from \$500 per day to \$1,500 per day, per sign violation, for each day the violation exists. The collected penalty amounts from these violations would then be directed to DPD's Operations Division, which includes the Department's sign and billboard inspection unit. The increase in penalties should be a more viable deterrent.

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